

Conscious Capitalism Board of Directors Retreat

February 2016



Chapters Committee Report

Since the 2015 board retreat when this committee was formed, we have reached out to the majority of the Chapters and received comprehensive input and feedback. There was a general expression of gratitude from most of the Chapters that the board formed the committee. The calls and in-person meetings with Chapter leaders were prefaced with informing them the board had formed this committee to gather feedback and make recommendations for 2016 priorities. All Chapters are aware of the Co-CEO search and realize that there are resource constraints for the time being, but look forward to seeing what is possible once the search is complete. Members of the committee are:

- Laura Roberts – Chair
- Roberta Lang
- Raj Sisodia
- Jack Lowe
- Scott McIntosh

After compiling all of the feedback, which initially started as a 30-page document, we condensed the information into this summary for discussion purposes to include “Common Themes”, “Outlier Comments”, “International Dynamics”, “Current Rhythm with Chapters” and “Recommendations”. For purposes of this report we will refer to the main organization as the “Mothership”.

Common Themes

Chapter founders have varying levels of resources. It was clear that all Chapters formed with a high degree of commitment and passion for Conscious Capitalism. This initial enthusiasm appears to wane at some point as realities that facing Chapters manifest themselves (i.e., cash flow, attrition of founders & members, lack of shared vision, frustration with Mothership, dynamics of a volunteer organization, inability to capture and retain CEO attendance, etc.). The Chapters who are doing better are the ones who have people who are willing to continue to write checks when needed, and who may have staff they can leverage for the work.

Chapters are in various stages of their lifecycle (see attached). Depending upon which stage they are in, their pain varies but appears to follow a similar pattern. There was a clear and repeated request for a coordinated communication strategy and training for the “Chapter Journey”. Most of the Chapters initially liked the freedom afforded to them by the Mothership, but found that at some point they needed more direction.

There seems to be a lack of clarity and certainly not agreement on “who is the ideal customer/audience?” Chapters are struggling with attracting and keeping the right people at their events. As a Chapter ages, the attendee mix changes. Initially the mix included business leaders, students, consultants, mid-level managers, educators, etc. However, it morphed into mostly consultants over time. Chapter leaders attributed this dynamic to different things but most agreed that one reason was lack of more advanced content. Getting the word out about Conscious Capitalism (what it is, why it is important) appears to keep people’s attention only for so long. Chapters are begging for more

advanced tools and content from the Mothership and also a mechanism where all the Chapters can share their content with each other. They would like to have more diversity and retention of attendees who are CEO's, business managers at different levels, young entrepreneurs, policy makers, students, religious leaders, educators, journalists, and even leaders of non-profit and public organizations. It was repeatedly conveyed that in order to create a movement we need mavens/evangelists in all of these areas.

Here is a list of questions that were repeatedly asked by the Chapters during discussion in some form or another. The committee didn't necessarily attempt to answer the questions. They are included here for the board to consider:

- What are we actually trying to do here?
- What are we trying to cause? How do we know if we are doing it?
- Are we attracting the most influential people?
- Is this a club or a movement?
- Will we keep the interest of highly effective people if the events appear to be more of a tribal experience rather than a developmental one?
- How do we not let people down once we have awakened them?
- How can we keep the fire in our volunteer's bellies? Why should they continue to invest their life force in Conscious Capitalism?
- How can we build a database of speakers who will speak for free?
- What should we be measuring?
- What is the Chapter story in 5 years? What will we say we accomplished?
- Do our events make a difference?

There is a significant and urgent request to reconcile the membership model. There is a high degree of frustration around this issue with most Chapters. Not only do the Chapters feel challenges related to "what being a member" means, but they feel it is not clear at the Mothership level either. Repeated requests were made to map out a way that if someone becomes a member either at the Chapter or Mothership level, they can benefit both ways (attend events at a discount, have access to syndicated content, etc.). Every Chapter is struggling with this without exception. Some believe it would be better to change the vernacular from "member" to "sponsor" if we can't figure out the value/offering to a member.

There was consistent feedback regarding the ongoing Chapter calls. Most thought the calls have too many people to be productive. They feel the calls are obligatory more than helpful at this point. The updates and information shared between Chapters were interesting in the beginning, but then the output of the calls became only sometimes helpful. They would like the calls to be more troubleshooting in nature with a very short or no check in round. Many stated they want to see the calls be more execution oriented and actionable.

Chapters would like to evolve data sharing of attendees to the main events so they can have visibility on who attended the main events. This could help them increase their membership if they see new attendees that are not in their Chapters and vice versa.

Requests were made by almost all Chapters for a toolkit to eventually include things like:

- Guidelines, roadmap, lessons learned and best practices for Chapters in every stage of the lifecycle including succession planning (would like to reduce “recreating the wheel” dynamic)
- Seed money from the Mothership would be helpful for basic business needs, legal, phone, 501C3 registration, banking fees, business cards, professional support.
- List of things to consider when budgeting particularly in the first 18 months.
- Creating a sharing platform and content for newsletters, social media, etc.
- Co-created and evolving resource list of professional service providers - lawyers, accountants, tax advisors, web designers, etc. who could be available and knowledgeable about Chapter needs and might be willing to work at a discount
- Speaker database (both paid and free) to utilize and contribute to.
- Repository and/or library where sharing can happen with beginning, intermediate and advanced material.
- Templated marketing materials that can be customized by the Chapter for their local audience.
- Templated website that can be customized for the Chapter but is consistent to the larger CC brand and messaging.
- Shared ideas and tips for getting corporate sponsorships, creating great events, attracting board members, social media strategy, etc.
- Short videos explaining leadership tenets of CC. Perhaps Kip, Raj, John, Doug or other staff?
- Case studies on Chapter start up and also case studies of CC companies (short videos preferable).

Chapters were very vocal in some form or another about needing more direction from the Mothership. Most seemed overwhelmed by the amount of volunteer work required for a few people (much like a start-up company), high turnover, and the personal financial investment required. Many of the Chapters are approaching 2-3+ years of formation and hitting leadership exhaustion. Most expressed that without a clearly organized definition of the movement and directional clarity, it is hard to attract and keep board support. Based on the feedback we received the committee feels that there may be as many as 5 Chapters at risk of founder burnout with no viable succession plan.

The Chapters that are effectively using social media seem to get more traction and have better retention. This is only a high level assessment. It may make sense to closely watch this in the future. Based on our research, we believe all 26 of the Chapters could have a total reach of about 80,000 through their social platforms (LinkedIn, Facebook, MeetUp, etc.).

Most Chapters have monthly or bimonthly events with varying degrees of success. More work to assess what is working and not working needs to be done. There is a tremendous amount of learning on this topic. Some Chapters struggle quite a bit with breaking even on events, others do it easily. Chapters who lose money on their events for extended periods of time are burning out faster.

Several Chapters had commentary as it related to integral theory. It was suggested by a few that we needed to be more mindful about speaking to different world views with our content. For instance, how can we speak about the four pillars of CC to each world view? People were passionate in expressing that this will not become a movement if we don't have all world views included. We also need to work diligently to keep their listening and attention. Comments were made related to us needing to choose to make participation in Conscious Capitalism a developmental experience for people. Additionally, how

we should be more intentional about using integral theory as a framework to do so? Several folks mentioned they thought we didn't have enough yellow and teal in the mix. Or if they came to an event, they didn't necessarily come back. One person felt very strongly that one of the goals of the organization should be to consciously work toward converting "mean green meme" and "mean orange meme" into not being allergic to each other.

International Dynamics

Israel is struggling with finding speakers. They are having to train themselves. They also are having challenges with realities of the state of the region and how that affects people's state of mind.

"Conscious Capitalism is fundamentally taking a stand that human nature is good and with so much evidence around us to the contrary, we have to keep working hard to get people to see this"

Brazil has outlined a suggested discount by quantity of attendees from the Chapter along with incentive for Chapter leadership slots for having more Chapter members sign up to attend. We will provide this information to Julie and Doug for consideration.

All international Chapters requested that they have representation on the board and made the comment that CC is too "American based" right now. They would like to see regular events outside of the U.S. sometime in the future.

Translation costs are an issue and would like a longer term plan for how we can all share in the costs.

Outlier Comments Worth Noting

"National should be worried about Chapters going off the rails. There doesn't appear to be enough oversight on content. Chapters are recruiting their own speakers with their own content. As Chapters then steal/share this content with each other, it is clear there are inconsistencies in the messaging. This may not be good for CC"

The Chapter calls with the Mothership "feel like the blind leading the blind."

"Why can't our membership be structured like YPO?"

"Feels like the Chapters are just a marketing engine to get people to attend the main events or to sell books."

"We need to be more like TED."

"CC should be aware that some are saying it is a racket for speakers promoting their books."

"We are closer to Sierra Club than a Chamber of Commerce. The Chamber does a much better job at attracting speakers and retaining volunteers."

Current Rhythm with Chapters

There are ongoing monthly calls with the Chapters.

There is a monthly newsletter that goes out to the Chapters.

There is a password protected page on the web with required reading materials, assets such as logo & twitter skin, one sheets, basic communication and social media guidelines.

As it relates to the new Chapter formation process, there are some challenges with scheduling final calls with Interim Chapters and Doug to get final approval which will be resolved with revisions to governance and/or the Co-CEO position being filled.

Recommended Considerations for 2016 Priorities

Start to create more content for more advanced members.

Start creating pieces for the toolkit mentioned above.

Develop a clearer “Why are we here?” message for the Chapters. Need clearer messaging on how they fit into the overall structure and purpose of the organization/movement. Determine what we should be measuring.

Investigate the possibility for startup Chapter seed money. The committee believes that if we provide startup money there should be clear metrics and performance attached to it.

Pair up new Chapter leaders with more mature Chapter leaders as “buddies/coaching” for first year of a new Chapter.

Add a couple of hours before the Spring event for Chapters to have face to face time with each other and staff in order to collaborate and help each other. In addition, the committee believes that it is critical we use the time with the Chapters in April to provide feedback on our 2016 priorities.

Investigate the potential for sliding scale dues for Chapters in early on start-up phase.

Investigate the possibility for consistent membership dues for local and national membership that connects an individual or companies to the movement as a whole.

Define a corporate sponsorship strategy that benefits the Mothership and Chapters to prevent cannibalizing the membership as well as financial support.

Create a strategy for more effective web presence.

Change the current calls to be structured and possibly organized in smaller groups that represent regions or interest areas to help with collaboration and sharing of knowledge and resources.

Add two board seats that represent the Chapters. One for U.S./North America. One for International.

Confirm that all Chapters have a website and a method to respond to requests within a reasonable time. In our effort to set up calls with Chapters, we found that some did not respond after repeated requests and at times, it appeared as if the contact information included people who were no longer involved.

Commit to providing feedback to the Chapter leaders on what action items we will be taking in 2016.

Attachment

Activating CC Chapters	Description	Additions/Challenges
1. Formation	<ul style="list-style-type: none"> • Initial enthusiasm and excitement • Create and articulate intentions • Overwhelmed by all the information • “Figuring it Out” • Clarifying strengths, roles and participation • Lots of sharing and conversation 	<ul style="list-style-type: none"> • Like a start up, personal energy, time • Getting the word out • Resources (funding, website, event management, volunteers)
2. Concentration (stabilize)	<ul style="list-style-type: none"> • Energy put in far exceeds results • Demonstrate you can produce a result • Requires discipline and integrity • “What am I doing here?” • Leadership team turnover • Reveals your relationship to failure 	<ul style="list-style-type: none"> • Growing the membership • Event planning/Call-to-Action • Trying to break even • Aligned to Mothership • Creating tools and content
3. Momentum	<ul style="list-style-type: none"> • You start to gain momentum • Results start to equal effort put in • Inspiration and spontaneity begin to occur 	<ul style="list-style-type: none"> • Staffing • Volunteers • Stop attrition • Taking care of the people who are showing up and interested • Build on content
4. Stability	<ul style="list-style-type: none"> • About being completely reliable • Showing the willingness to work on something repetitively and routinely 	<ul style="list-style-type: none"> • Growing • Attracting multiple types of members (CEOs, academics, journalists, students, young professionals, intrapreneurs, etc.) • Marketing and communications • Sustainable, possible staffing hires
5. Community		<ul style="list-style-type: none"> • Making an Impact in the Community and Globally • U.S. and International